



The German Market for Travel and Tourism to the United States

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SUMMARY

For the first time since 1992, the United States has reported double-digit growth of 12% with over 46 million international visitors traveling to the United States in 2004. The U.S. Commerce Department announced that arrivals of travelers to the United States experienced growth for 15 consecutive months (up to December 2004), bringing more than USD 94 billion to the United States.

With over 61 tour operators and 16,000 travel service agencies, Germany is one of the top five foreign markets for travel to the United States. Despite the economic situation, i.e. the poor growth rate of 1.7% in 2004 (in comparison to 4.4% in the United States and 9.0% in China), a high unemployment rate reaching almost 12%, and high annual financial transfers from the west to the east totaling roughly USD 70 billion, the German market for tourism to the United States continues to thrive. German visitations totaled over 1.3 million, exceeding the record total of 2001. (U.S. Department of Commerce, ITA, Office of Travel and Tourism Industries, May 2005).

The United States was the most important overseas market for Germany with a high growth rate of 19% during the first 6 months of 2004 (11.8% for the full year) (DZT Aktuell, 08/23/2004). The top German destination included: Spain with roughly 5.8 million visitors, Turkey (3 million), the 2004 summer Olympic games host, Greece (1.577), and Italy (1.3) (FVW 04/31/05). German tour operators and travel service agencies have increased the level of promotion and marketing for the U.S. tourism

2004 was also a year of trend setting in which many firms, organizations and associations invested heavily in online marketing and booking services. Meanwhile, consolidation activities reached both the airline and the travel service industry: There are currently 5 major European tour operators marketing through 10 brands (compared with two years ago), accounting for roughly 62% of all long haul business from Europe (Source: TourOperator.com, April 2005).

Las Vegas was the top convention city for German travel into the United States and New York continued to lead as the top destination (German Market Profile 2004). The New England area and natural sites that include the national parks showcasing the abundant landscape of Northern American, continue to be promising tourist venues for the next few years.

The comparatively weak dollar, safe air travel, lower airfare options and diverse tourist attractions make the United States a very profitable and ever-growing tourism sector.

A. MARKET HIGHLIGHTS & BEST PROSPECTS

In 2004, more than 1.3 million German visited the United States exceeding 2001 results. Despite negative growth rates the German market has overall experienced these past

few years (2003 saw a negative -.8% development compared with 2003), 2004 growth rates signal a new positive climate in the tourism industry.

German arrivals rose by 13% for both the first quarter of 2005 and March of 2005. In 2004, May was the most successful month of German arrivals to the United States., totaling a positive growth of 27.5% compared with the previous year's results. September and October trailed close behind this number of arrivals, with growth rates of 5.2% and 3.1%.

The winter months of January and February, total arrivals ranging between 70,000 and 80,000 arrivals were the slowest months. Still, German Tour Operators reported that the winter season was very successful, resulting in double-digit growth rates for many operators and agencies covering North America (FVW USA/Kanada Destination-Report 2005).

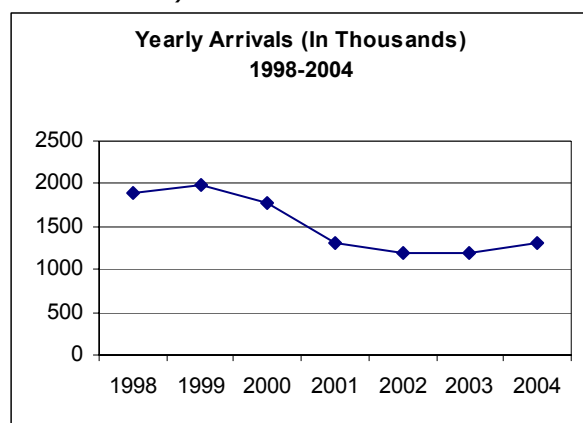
Vacationing and holiday travel was the main purpose of stay for most German visitors, and the length of stay rose by 11% averaging 20 nights per trip. New York, San Francisco and Los Angeles continued to be the leading destinations for the German market. Las Vegas hosted over 38 conventions, with Chicago and Orlando trailing at a distant second place, hosting 18 conventions (German Market Profile 2004).

Experienced travelers are seeking destinations outside of the metropolitan scene, in particular, cities that offer optimal outdoor activities and cultural attractions are in demand. New England is one of the top prospective destinations for the upcoming year because the affiliated states such as Maine, Massachusetts and New Hampshire have a European ambience along with scenic landscapes showcasing the mountains, lakes and forests of the United States (Office of Travel & Tourism Industries, TD, ITA, USDOC).

For the first time in nearly a decade, new tour operators are distributing brochures on long haul travel and directly targeting North America tourism. In addition, larger tour operators are advertising lower rates for travel to North America, resulting in higher demand for travel to the United States. The top tourist and travel operators and agencies like TUI and Thomas Cooke are also investing heavily in online services, and online booking continues to grow at a yearly rate of 20-30% (FVW 06/24/05).

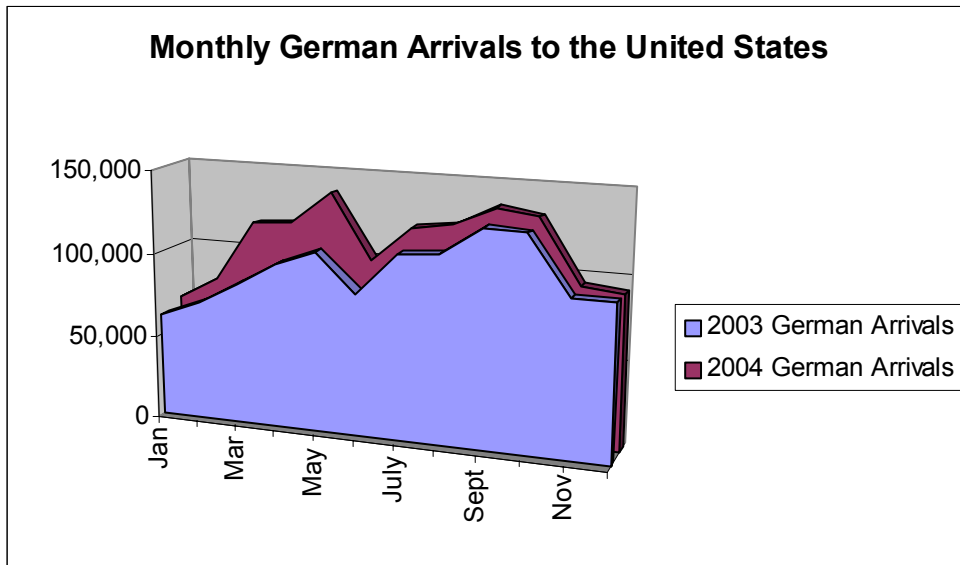
2004 was reported to be the safest year in aviation history and continues to be the safest form of transportation (Source: IATA Market Research Report), albeit the strict security measures proved to be costly for the travel industry. Due to heightened security, stricter policies have been enforced and airlines and travelers have been faced with the security cost burden.

CHART I: NUMBER OF ARRIVALS OF GERMANS IN THE UNITED STATES (IN THOUSANDS)



Source: OTTI/ITA/USDOC

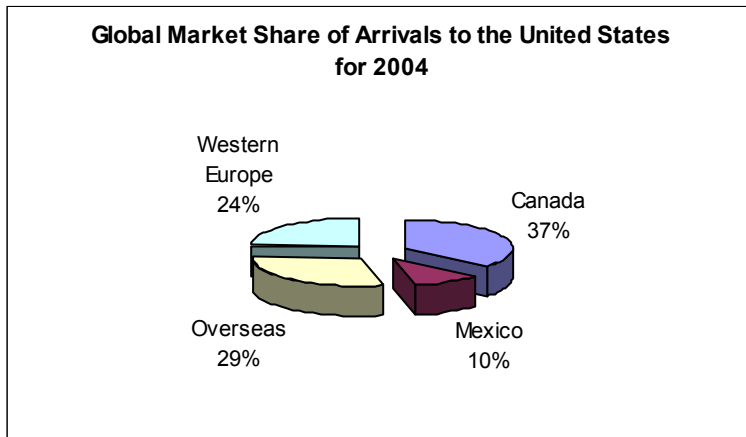
CHART II: NUMBER OF MONTHLY GERMAN ARRIVALS IN THE UNITED STATES (IN THOUSANDS)



Source: OTTI/ITA/USDOC

GLOBAL MARKET SHARE

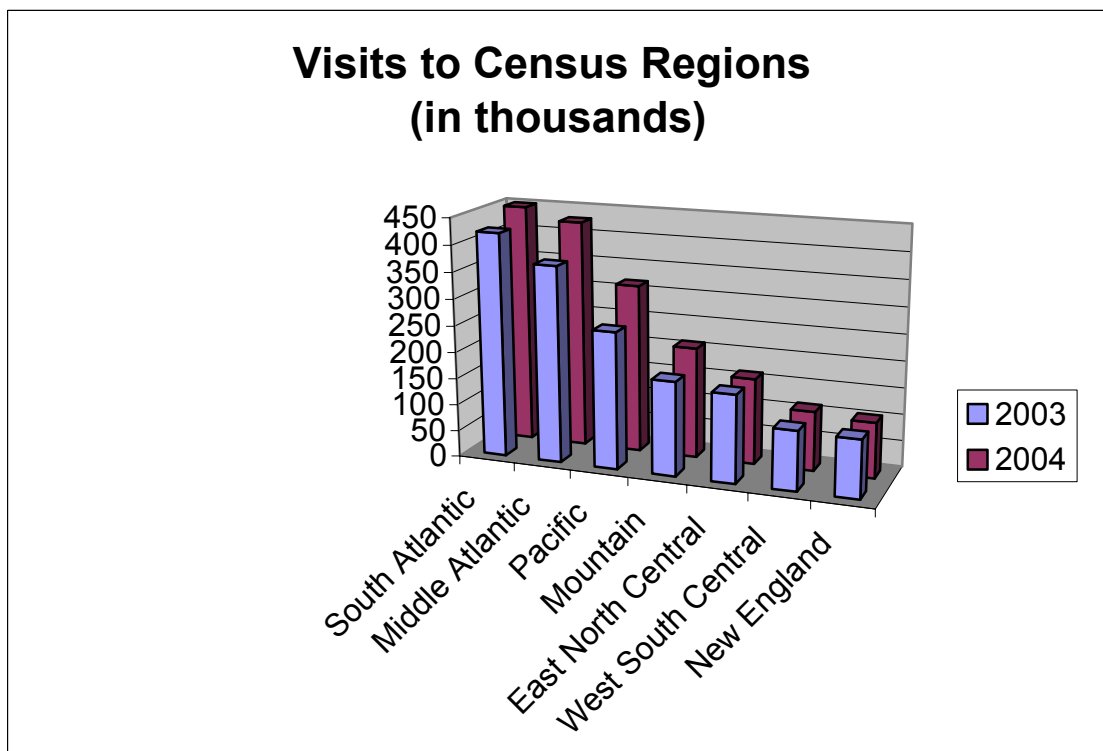
CHART III: ARRIVALS TO THE UNITED STATES FROM THE TOP REGIONS WORLDWIDE



Source: OTTI/ITA/USDOC

VISITOR PROFILE

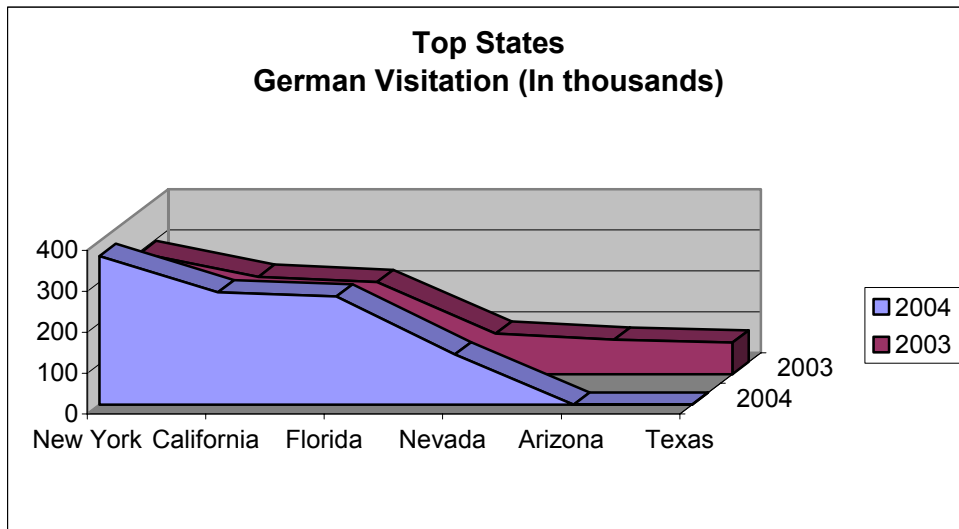
CHART IV. VISITS TO CENSUS REGIONS BY GERMAN VISITORS



ce: OTTI/ITA/USDOC: Market Profile Germany, May 2005

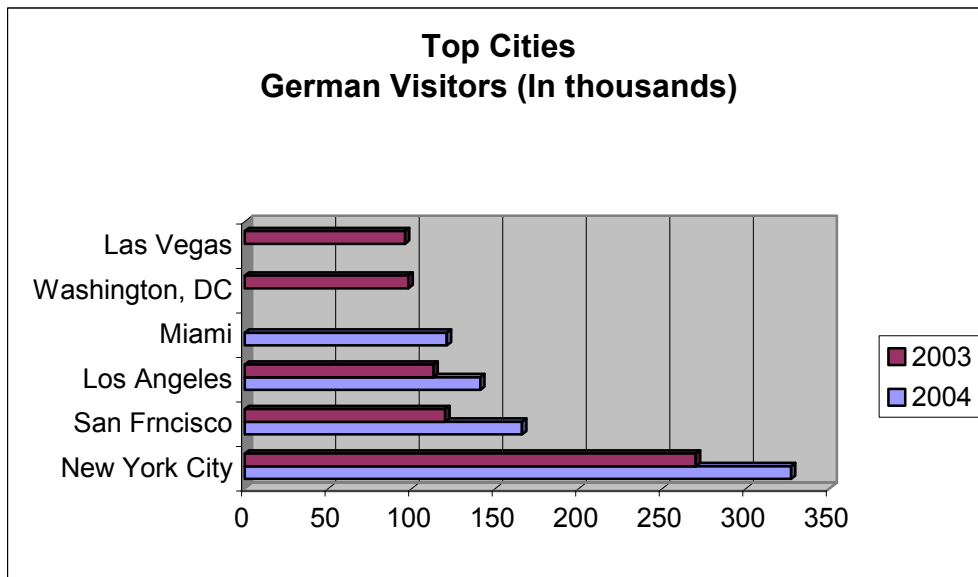
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CHART V. TOP STATES VISITED BY GERMAN VISITORS



Source: OTTI/ITA/USDOC: Market Profile Germany, May 2005

CHART VI. TOP CITIES VISITED BY GERMAN VISITORS



Source: OTTI/ITA/USDOC: Market Profile Germany, May 2005

Note: Some data is not displayed due to low respondent base for this survey year.

B. COMPETITIVE ANALYSIS

DOMESTIC TOURISM

The Federal Aviation Administration reported that almost half of the nation's top airports have exceeded their pre-9/11 levels in air traffic. The busiest airports were: Hartsfield-Jackson Atlanta International, Chicago O'Hare, and Los Angeles International. Network carriers like American, United, Delta, Northwest, Continental and US Airways reported high levels of passenger occupancy of approximately 80%. Popular routes offered by these airlines during peak times reported full passenger occupancy. However, domestic flights have in some cases reduced or only slightly raised the seat capacity, thus causing flights to be more crowded.

According to a survey conducted by the Travel Industry Association of America, the top national sites reported by American travelers were: the Grand Canyon, the Statue of

Liberty and Yellowstone National Park (TIA market research). Furthermore, Las Vegas, Orlando, Maui, Honolulu, Chicago and Miami were the top 5 domestic destinations according to the 2004 Travel Trends survey conducted by the Detroit Carlson Wagonlit Travel Agencies (pways.com). Florida was the most popular honeymoon destination in the continental United States; other top destinations included northern California, New Orleans, and Tennessee (Source: weddingchannel.com: Best Domestic U.S. Honeymoons).

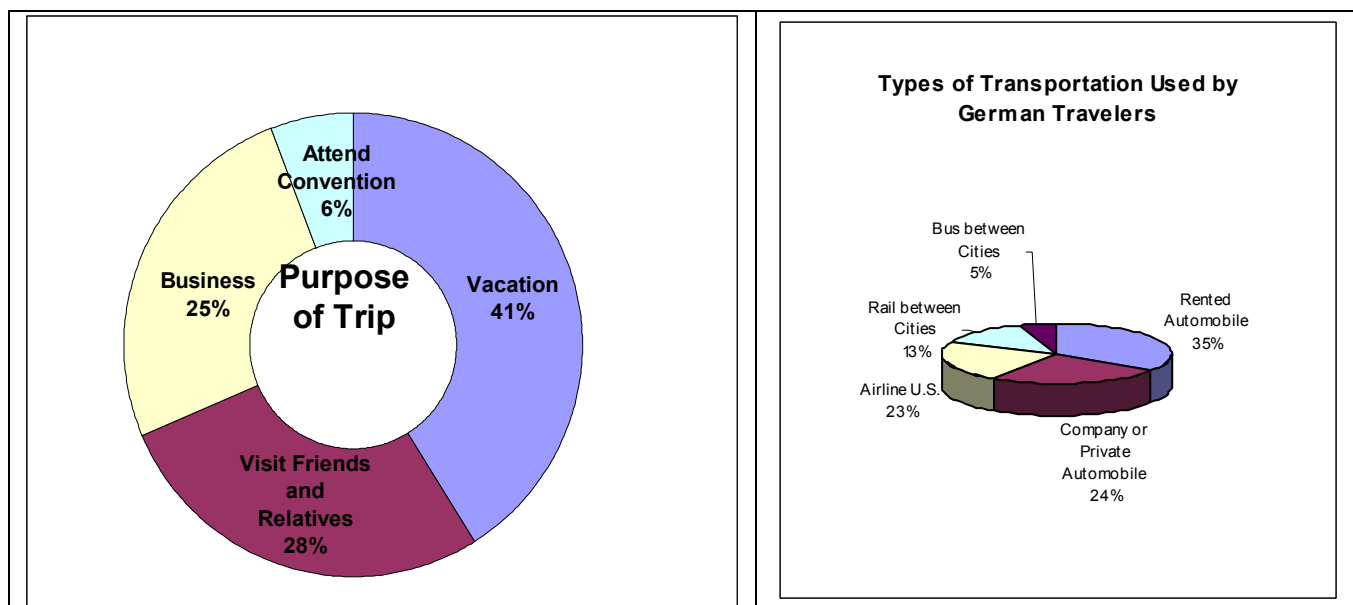
GERMAN TRAVEL TO FOREIGN COUNTRIES

In 2004, 18 million Germans traveled abroad, an 11.7% increase compared with 2003. Almost 6 million Germans traveled to Spain in 2004; other popular destinations included Turkey with 3.2 million visitors, Greece with 1.5 million visitors and Italy with 1.3 million visitors. Factors relating to the popularity of these destinations include inexpensive airfares offered by low-cost carriers such as Ryanair and Air Berlin and high interest in dynamic packaging for short trips, i.e. more inexpensive packages for same day travel purchasing due to large discounts offered by travel services seeking fill in unoccupied rooms, flights, etc. Moreover, the large minority population of 8.5% (German population: 91.5%) (Source: CIA Factbook), many with family ties in their country of nationality, also contributes to the high performance of these destinations.

TRADITIONAL AND LOW-FARE FLIGHTS

As the success in the airline industry has grown, the competition between major airlines and low-cost carriers in Germany has become a fierce battleground. The structure and organization of the major airlines is very different to those of low fare airlines: Departure and arrival schedules of major airlines are administered regularly, departures and arrivals are timely, they provide optimal service in-flight service, and their great customer service offers programs such as air mile credit and private waiting lounges for travelers. In contrast, the "no frills" airlines forego these measures and concentrate solely on the volume of passengers. In 2004, Air Berlin, NIKI, Condor and Hapag had the largest volume of passengers in comparison to other German airlines (DRV Market Research). This low cost, mass transport system concentrates on short, point-to-point connections to destinations not centrally located (thus minimizing service charge of large airports) and is very sensitive to fluctuations in oil prices. There are often unannounced cancellations and delays. Targeted groups vary significantly for both types of airlines in which the price-sensitive, independent and flexible travelers who are willing to risk delays and cancellations are more likely to consider a low-fare airlines, rather than travelers who depend on timely flights, better service, and a more comfortable travel environment (Source: AGBC Presentation: Low-Cost Carriers' Challenge to the Major Airlines). The major airlines and "no frills" airlines specialize in either the high or low end of the market, which tends to be a more strategic move in comparison to the middle-of-the-road approach, i.e., decent services and relatively low prices. Nevertheless, this strategy has proven to be effective for the airline industry in general.

TOURISM TO THE UNITED STATES



Source: OTTI/ITA/USDOC: Market Profile Germany, May 2005

German travel to the United States has only recently experienced growth - the last five years (up until 2004) were characterized by negative growth rates. The main arrival destinations continue to be New York and California with annual growth rates amounting to 27.6 and 20.8. Respectively, New York City (24.8% annual growth rate), San Francisco (12.6%), and Los Angeles (10.7) were the top city destinations and highest annual growth rate. (German Market Profile 2004)

The majority of the visitors traveled to the United States were on vacation, whereas others visited friends and family, traveled on business and attended conventions. Although most German travelers preferred renting automobiles during their stay, some chose company automobiles, domestic air travel, trains and buses over the course their stay.

Private automobiles continue to be the most popular form of travel in most cities, and therefore the rail and bus systems continue to be rather inconvenient and time consuming in most areas other than the large, metropolitan cities of the United States. However, new policies and regulations continue to be developed and have resulted in more city bus routes, new and modern public vehicles and more timely bus and train schedules.

COSTS ASSOCIATED WITH TERRORISM

Security has played a very important role in the travel and tourism industry since the terrorist attacks of 9/11, and the more recent attack that took place last March (2004) in Madrid, Spain. In 2004, security cost of air traffic was approximately USD 5.6 billion, primarily borne by travelers and airlines (IATA Market Research Report). Furthermore, airlines request that passengers arrive at least 2 to 2.5 hours prior to the scheduled flights due to security policies. These policies and regulations have led to delayed flights and incomplete flight information, causing airlines to incur additional costs such as those arising from missed connecting flights. Regarding these security measures, the EU Commission has now imposed a policy that airlines incur the costs of passengers of missed flights and delays of more than 2 hours.

Homeland Security explained that national ports of entry have also been more thorough in security measures, and although intense questioning and searches can be inconvenient for travelers, these procedures are conducted to ensure the security of American citizens and visitors. Questions and concerns regarding the Customs and Border Protection process should be sent to: U.S. Department of Homeland Security Washington, DC 20229.

VISA WAIVER PROGRAM AND ENTRY REGULATIONS

Citizens of selected countries and staying in the United States for less than 90 days may be eligible for the Visa Waiver Program. All Visa Waiver Program (VWP) travelers must present a machine-readable passport (MRP) for visa-free entry into the United States (policy has been taken into effect since June 26, 2005). In addition, the Department of Homeland Security (DHS) requires that all passports contain a digital photograph of the passport holder's face integrated into the data page by October 26, 2005. The Enhanced Border Security and Visa Entry Reform Act of 2002 establishes that any passport issued after October 26, 2006, that is used for VWP must include a biometric identifier based on standards established by the International Civil Aviation Organization (ICAO).

All travelers that are not citizens of the selected countries listed under the Visa Waiver Program, and/or travelers intending to accept paid or unpaid employment in the United States, attend a school or university, and/or stay in the United States for more than 90 days must apply for a visa and pay the visa processing fee of EUR 85 per person.

All foreign visitors entering the United States will have their two index fingers scanned and a digital photograph taken at major ports of entry to verify their identity. The Customs and Border Protection Officers also review travel documents and ask questions concerning the visitor's stay in the U.S. Normally this process is not time consuming, and is performed solely for security purposes. (Source: U.S. Embassy: Visa Waiver Program)

C. END-USER ANALYSIS

GERMAN TRAVELER PROFILE

German travel to both foreign and domestic destinations is integrated in the German culture and economy. According to the annual Expedia survey, Germans receive an average of 27 paid vacation days, with the majority affirming to make use of all vacation days. In 2004, 20 million German travelers remained in Germany, while 45 million Germans traveled abroad (Touristik Aktuell 05/11/05). Furthermore, the inexpensive airfares, last minute weekend tourist packages, the advanced rail system, and the central location all contribute to the travel-oriented culture of Germany.

Many Germans travel to the United States to enjoy the abundant landscapes, the unique cultural sites, visit friends and family, go sightseeing, shop in the most glamorous cities of the world and enjoy the night life scene.

THE NEW TREND: THE INTERNET AND ONLINE BOOKING

In 2004, 95% of enterprises in Germany with a staff of 10 or more persons had Internet access, 50% of the German population aged 16-74 years went online at least once a week, and 25% of the total population of E.U. countries searched websites of public agencies for information (Federal Statistical Office). The worldwide population of Internet users is 934 million and is expected to increase by more than 50% by 2007 (Computer Industry Almanac). In spite of the high internet access rates in countries outside of the United States and electronic fraudulent activity (computer hacking and

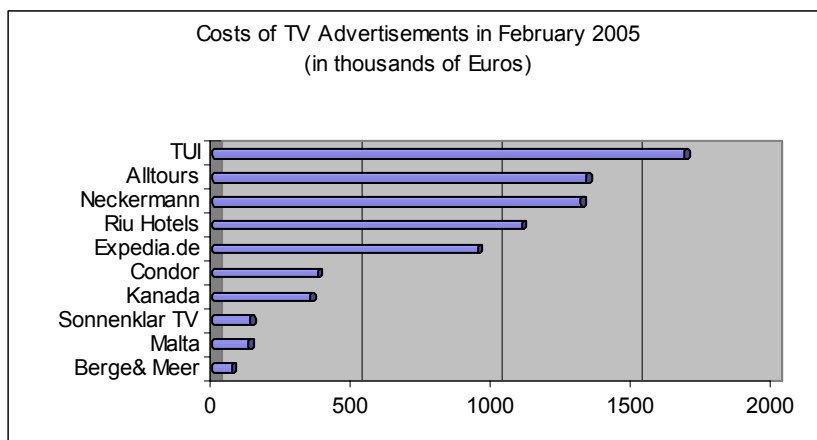
credit fraud), the e-commerce industry is growing at a very fast pace. Henceforth, the platform for e-commerce has become increasingly popular.

Europe's top online sales in 2004 included: TUI, IAC Travel, Lastminute.com, Easyjet and Ryanair, and Internet firms continue to grow yearly at a rate of 20-30%. Although 87% of bookings last year were carried out by counter transactions (FVW 06/24/05), traditional travel agencies such as Lufthansa City Center, TUI Leisure Travel, Derpart, RTK Cooperation and TSS cooperation are investing heavily in online marketing and services. The Internet allows travel service agencies and organizations to narrowcast online users into smaller audiences, provide the newest product listings, enhance the flexibility of consumers, provide speedy payment processing, offer support literature, post online brochures, and furthermore, it allows companies to study the consumer behavior by computing the visitation record, distribution of hits among pages and across time, and compiling user profile information. Thus, the Internet attracts travel-oriented consumers, and offers market research features (i.e. compilation, statistical assessments and figures, etc.).

VISITOR PROFILE/TRAVELER CHARACTERISTICS OF THOSE TRAVELING TO THE UNITED STATES

2004 saw a growth of travelers to the United States and Canada by 18.7%. 20% of German visitors to the United States traveled to this destination for the first time (growth rate of 2%). The average length of stay, 19.8 days, reflected an increase of 11%. Daily visitor spending amounted to USD 79, revealing a negative growth rate of 11%. German travelers visited on average 1.8 states in 2004, and the growth rate remained unchanged (German Market Profile 2005).

TRADE PROMOTION OPPORTUNITIES



Source: Touristik Aktuell

Printed materials, brochures, magazine advertising, trade shows, television commercials, online advertising, and televised travel programs are several ways in which travel and tourist agencies promote their services.

Although online travel service is expanding, travel service agencies continue to invest in the television industry. Many travel service operators, agencies and hotel chains are expanding their budgets for televised marketing. TUI, Alltours, Neckermann and Riu Hotels spent over a million dollars on televised advertisements in the month of February alone. Television is becoming more innovative and convenient in design with the plasma screens and film projectors, making this industry increasingly popular.

The Internet is another premium marketing tool because it not only addresses a large group of people, but also eliminates high distribution and printing costs. According to

the 2004 Travelocity market research report, 320 million people view the Travelocity website on a monthly basis. Despite the rather inconclusive price of online marketing, ranging anywhere from a couple hundred of dollars to thousands of dollars for homepages and large advertisements, online marketing services are becoming more common and less expensive alternative forms to traditional promotional services.

Price allocation of tour operator travel literature and advertisements for other travel magazines remains rather difficult to assess costs and prices. Market experts comment that advertising for large tour operators, travel magazines and catalogs may not necessarily result in increased bookings, but that several factors i.e., popularity of the destination/activity, affiliations with different cooperation-organizations, the size of the past history in regard to previous business dealings and transactions were critical for success. However, distribution costs continue to be a high priority for travel service agencies.

Magazine advertisements are also very popular. Many airlines and travel service agencies advertise in business magazines, popular magazines and newspapers. Travel catalogs and popular travel magazines are also very popular venues of marketing travel services.

German trade fairs are another effective method of attracting potential clients with costs ranging from a small investment of several thousand dollars to a rather large investment. The U.S. Commercial Service offers representation to U.S. firms wishing to distribute product and service literature or exhibit at the trade fair.

MARKET STRENGTHS

The strong Euro, the one official and universally recognized language, a plethora of traveling activities and destinations, i.e., national parks and nature sites, beaches, theme parks, sporting activities, and great entertainment, are main factors for the continuing growth of the U.S. tourism market. Large, "all in one" hotel chains with multiple services such as casinos, gourmet restaurants, luxurious spas and therapeutic centers, and nightclubs offered to both clients and visitors, also strengthen the tourism market. Furthermore, sport associations such as the NBA, NFL and PGA, showcasing a handful of world acclaimed athletes attract die-hard sports fans from all over the world.

D. MARKET ACCESS

Many tour operators, agencies and airlines consolidated over the past year to make themselves more marketable and competitive in the innovative and fast-paced tourism industry.

ECONOMICAL CLIMATE AND TOURISM

Germany is the world's third largest economy and the largest member of the European Union. However, due to a high unemployment rate of 11.7% (Source: Statistisches Bundesamt Deutschland, May 2005), demographic challenges, high transfer payments into the eastern federal states, the German economy has become the slowest growing economy in Europe. Nevertheless and despite the economical situation, the German market continues to invest heavily in travel and tourism.

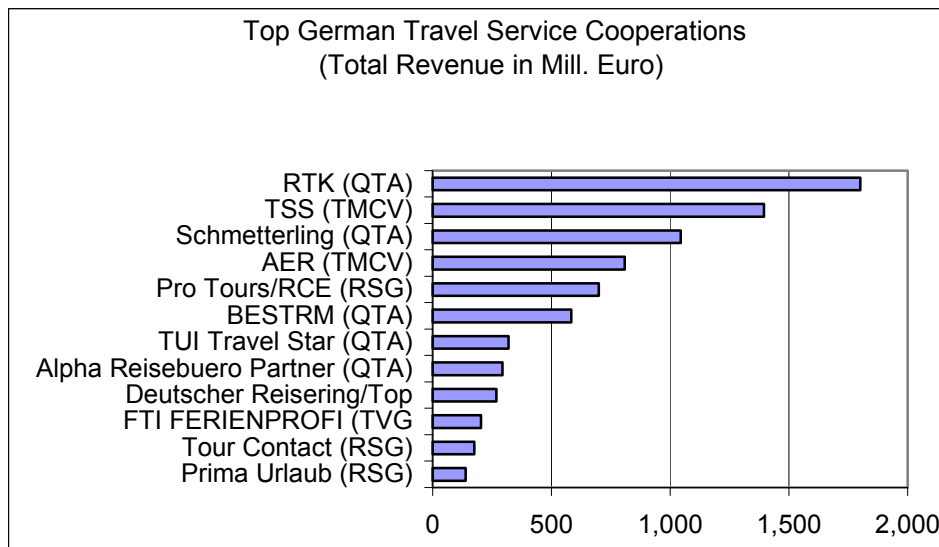
CONSUMER PROTECTION AND GERMAN TRAVEL LAW

German tour operators are obligated by law to offer the client proof in written form, guaranteeing that the package holiday price and additional return journey costs incurred in the event of bankruptcy are covered by a bank guarantee or insurance. Furthermore, German tour operators must offer clients all services and products exactly as they are disclosed in the brochures. Tour operators are also responsible for the services provided by them through foreign agencies. The client has the right to file suit against the tour operator or its agents if the client is unsatisfied or does not receive the appropriate services as listed in the distributed material.

TRAVEL SERVICE COOPERATIONS

Travel service cooperations assist small, medium and large travel and service offices by offering services that keep their members and affiliated organizations competitive and profitable.

Travel service cooperations operate on a grand scale, to support its members , the tour operators and agencies. Services provided include: Educational training, personal support, listings of tour operators, massive price reductions in telecommunications, credit card billing, insurance, price comparison, in addition to continual assistance and support for its members regarding technicalities, market research and economic requests.



Source: FVW Dokumentation Ketten und Kooperationen 2004, 05/14/05

The top cooperation, RTK (represents large travel/tourist franchise chains such as TUI travel star and alpha travel offices), along with other cooperation-organizations is currently creating and investing in online portals to attract clients and customers; RTK emphasizes the importance of addressing the online market and bringing these clients to the travel and tourist offices (Other top cooperation-organizations include: TSS, Schmetterling, AER and Pro Tours, and most of these organizations have alliances and partnerships with one another (i.e. RTK and QTA or TSS and TMCV).

TOUR OPERATORS

The main function of tour operators is to offer all travel service information for clients and direct them to the appropriate offices and agencies that can further assist them. The tour operators are experts in the tourism market and are affiliated with a number of tour agencies, partners, and other travel service offices.

TUI, REWE Touristik and Thomas Cook are the top tour operators. They play a very significant role in the tourism industry, not only promoting the services of partners and travel agencies, but also supporting a large chain of tourist franchises and being members of the most profitable travel cooperation-organizations.

The most typical packages offered by tour operators include tourist packages, flights and trains. Tour operators can usually offer flight and train tickets at the lowest prices because they buy tickets in bulk and thus receive lower rates than the fares and services offered directly by these companies.

TOUR OPERATORS TO NORTH AMERICA

Tour operators marketing long haul travel to North America reported double digit growth during the winter months of 2004. Although the growth rates of the summer months had a much slower turnout, the summer season also proved to be profitable. The U.S. and Canadian markets had mixed results, however the U.S. market appeared to perform slightly better overall (FVW USA/Kanada Destination-Report 2005).

Air tours reported a 200% increase in sales during the winter months, along with a 150% sales growth during the summer in top destinations such as NYC, California, Florida and national Parks. TUI reported that the summer was stronger in the United States with top sales of bus trips, hotels, rental cars, top travel destinations (also including the New England area) and camping (FVW USA/Kanada Destination-Report 2005).

TRAVEL AGENTS

Due to consolidation activities in the industry, the number of travel agencies declined from a total of 16,715 in 2003 to 16,277 total agencies reported for 2004. Half of these firms were tourist agencies, others included distributors, offices with IATA (International Air Transport Association) and DB (Deutsche Bahn/ German rail system) licensees, and other travel service offices (FVW 05/14/05).

The travel service sector experienced a 4% growth in sales, totaling over EUR 20 billion in 2004. Business and leisure travel, transportation and other travel services experienced single digit growth rates, ranging between 3% and 4.5%. Amounting to almost EUR 14 billion, leisure and private travel proved to be the most profitable market. However, the tourist and airfare industries followed close behind, totaling EUR 11 billion and EUR 7.5 billion (FVW 05/14/05).

Most travel agents offer special airfare rates plus travel packages as simple as airfare with accommodations to car reservations, sightseeing tours, outings, dining services, and special shows and entertainment. These travel and tourist packages are usually less expensive than purchasing these products and services separately due to the bulk buying and affiliating travel service programs. Travel agents also offer helpful travel tips and pertinent information regarding travel regulations and policies of the foreign destinations promoted by their offices.

TRAVEL ASSOCIATIONS

Most travel associations focus on political platforms, i.e. yielding greater influence in public policy and representing the travel and tourism industry in these matters, compiling and providing updated market research for members, and offering educational, marketing and respectively, networking opportunities for members.

The most prominent German associations are the DRV (German Tour Operator and Travel Agents Association) and ASR (Association of Small and Medium-Sized travel companies). The largest American travel association is the TIA (Travel Industry Association of America).

PUBLIC RELATIONS AND PRESS

According to recent articles published by the Touroperator (www.thetouroperator.com) website, the TV-based travel booking industry has recently experienced a slowdown in sales. The largest telesales driven company, TV Travel shop, was recently purchased by Barry Diller's InterActive Corp. (IAC) and its division in the UK has already began the process of restructuring the organization by discharging 200 employees and focusing mainly on high margin products rather than third-party packages that were promoted and sold previously.

The most popular travel service magazines include: FVW International, Touristik report, Travel ONE, Travel Talk, Urlaub Perfekt, America, and Touristik Aktuell. These

magazines provide the latest travel news, statistical information, market performance and trends, as well as articles concerning travel regulations and restrictions.

FINANCING

German tour operators distribute their travel service literature well in advanced with holiday promotional offers and travel catalogs. Normally, clients pay a deposit (or the entire amount) upon booking and usually pay the remaining amount prior to the date of travel. With online booking, customers must usually pay with credit cards or through online money providers like Pay Pal or online bank providers. Some tour operators also allow clients to select last minute deals and finance their vacation packages upon their return, however this is a rather complicated process, in which tour operators must use its reserve funds to advance payments to U.S. suppliers, and hence, not the preferable payment plan.

TRADE SHOWS

Firms are able to showcase their products and services to consumers as well as to one another by exhibiting in trade shows. These shows usually last between 2-5 days and are particularly effective for American firms seeking representation or partnership in the German market.

ITB (Internationale Tourismus Boerse) in Berlin is the world's largest travel trade show that usually takes place annually sometime in March. ITB took place this year from March 11-15, hosting more than 10,000 exhibitors from 180 countries, showcasing their products and services to over 140,000 visitors. The next ITB will take place from March 8-12, 2006, at the Berlin exhibition grounds.

www.itb-berlin.com/

C-B-R (Caravanning, Watersports, Tourism exhibition) is the largest regional consumer travel show in Bavaria. In addition to the travel services promoted, holiday real estate and sports & leisure are also exhibited to German buyers. In February, 19-23, 2005 there were 1237 exhibitors from 67 countries with visitations amounting to roughly 130,000. The next C-B-R takes place February 18-22, 2006 at the Munich fair grounds

www.c-b-r.de/

The CMT (Caravaning, Motoring and Tourism) trade show took place this past January of 2005 in Stuttgart. Over 1,400 Exhibitors from 80 countries and 180,000 visitors attended this event. The next exhibition takes place January 14-22, 2006 at the Stuttgart Fairgrounds.

<http://www.messe-stuttgart.de/cmt/index.htm>

At IMEX, which took place March 11-15 2005, over 3,000 exhibitors from 140 countries attended this event. Tourist offices, hotel groups, destination management companies, airlines, service providers, trade associations were some of the services that were showcased. Over 7,000 visitors attended this exhibition. The next IMEX shall take place May 30-June 1 at the Frankfurt exhibition grounds.

www.imex-frankfurt.de/

The largest and most important travel and tourism exhibition in the east of Germany is the Leipziger Messe Touristik & Caravanin. At the 2004 exhibition, 1,100 companies from 60 countries exhibited to 82,000 visitors. The next exhibition takes place November 16-20, 2005, at the Leipzig Exhibition grounds.

http://www.touristikundcaravaning.de/Leipzig_Fair_Ground.405.0.html?&L=1

Reisemarkt Cologne, which took place from December 3-5, 2004, showcased the services of over 900 exhibitors to 38,000 visitors. The next Reisemarkt Cologne takes place November 25-27, 2005, at the Cologne exhibition grounds.

<http://www.reisemarkt-koeln.de/>

The Reisemarkt Rhein-Neckar-Pfalz in Mannheim hosted over 250 exhibitors with a total of 20,000 visitors from January 6-9, 2005, at the Mannheim exhibition grounds. As the largest regional consumer travel show in Germany, the Reisemarkt Rhein-Neckar-Pfalz in Mannheim exhibited tourism products and services to German buyers. The next Reisemarkt Rhein Neckar Pfalz takes place January 6-8, 2006, at the Mannheim exhibition grounds.

www.tmsmessen.de

The "Reisen Camping International" (Travel Camping International) took place from February 9-13, 2005, at the exhibition grounds in Essen. 110,600 visitors, attended this large regional consumer travel show in Essen. 30% of these visitors came with specific purchasing intentions and 25% of the caravan purchasers spent over USD 12,000.00 on their new "house on tow". The next Travel & Tourism & Camping & Caravaning trade show will take place from February 22-26, 2006 at the exhibition grounds in Essen.

www.messe-essen.de

Friedrichshafen: Reisen & Freizeit

The regional consumer show in Baden-Wuerttemberg, showcases primarily to visitors of Germany, Austria and Switzerland. With a visitation rate of roughly 20,000 in the past year and 150 exhibitors from 15 countries, the trade show continues to be a success. The next trade show will take place November 11-13, 2005 in Friedrichshafen.

www.reisenfreizeit.de

Hamburg: Reisen Hamburg

Reisen Hamburg is an important spring fair because it is the high travel season for northern German travelers. 1,000 exhibitors from 80 countries promoted their services to 100,000 visitors in total over the five-day period. The next show will take place February 8-12, 2006, in Hamburg.

http://www.hamburg-messe.de/reisen/re_en/start_main.php

"WIR" Lifestyle Show in Cologne is the largest consumer trade show in northern Germany. The consumer travel show concentrates primarily on lifestyle, travel and sports for the 45 plus age group. Over 40,000 visitors and 200 exhibitors attended the trade show last October. The next event will take place October 21-23, 2005, promoting products and services within the following industries: health, beauty and fashion, fitness, travel, finance and insurance.

www.wir-messe.de/

CONCLUSION

Future forecasts indicate the arrival of more than 52 million international visitors to the United States for 2006, which should generate sales of more than USD 110 billion. In 2005, travel from Europe to the United States is expected to grow by an annual rate of 30% (U.S. Commerce Department Forecasts Record Arrivals and Spending by 2006 for Travel to the U.S.). Despite the present economic and political difficulties, Germany will remain a major market for travel to the United States.

For more information on Travel and Tourism and how the Commercial Service can assist US companies to develop their business in the German market, contact:

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Commercial Specialist
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